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C.L. "Butch" Otter, Governor Toni Hardesty, Director

August 31, 2007

Official Announcement and Pre-Application Solicitation—2009 Funding Cycle for Competitive Nonpoint Source Management §319 subgrants

Dear:

The Idaho Department of Environmental Quality (DEQ) is announcing the start of the 2009 Nonpoint Source Management §319 grants funding cycle. Again this year DEQ is recommending pre-applications as a first-step in the grant application process. All prospective applicants are encouraged to submit the optional pre-application of their proposed project as a means of familiarizing DEQ early on with the project. The pre-application also may allow DEQ to respond with information that may increase the likelihood of the project being approved, and funding awarded.

DEQ will be accepting applications completed using the online version of the project grant preapplication and application. The 2009 *Project Application Guidance* and other information to assist you with completing your application is available on the DEQ webpage. The application and 2009 *Project Application Guidance* are available electronically at: http://www.deq.idaho.gov/Applications/319G/319G MenuFirst.cfm.

To facilitate the announcement and pre-application solicitation we ask that you distribute this notice within your agency or organization, as appropriate.

Project Eligibility

All grant application submittals should be consistent with the 1999 Idaho Nonpoint Source Management Plan available at: http://www.deq.idaho.gov/water/data_reports/surface_water/nps/reports.cfm#nps_plan. Project applications should also focus on work that will serve to restore or maintain beneficial uses in priority waters of the state. If funding is received for a project, then all work activities are expected to be performed by dedicated staff focused on long-term solutions. Projects generally should avoid incurring high costs for capital improvements without an attributing benefit to improving or restoring water quality. Successful projects will include an effort to track and report on stated constituents of concern, and ensure that the project outcome will be fully maintained for a period of time after the project has been completed.

Project Schedule

The schedule for the 2009 budget cycle is as follows:

- (1) Project pre-application form submittals are due by November 9, 2007 (OPTIONAL).
- (2) Project applications must be received at DEQ by February 8, 2008.
- (3) Project sponsor presentations and ranking by regional Basin Advisory Groups (BAGs) are scheduled to take place in April and May, 2008.
- (4) The statewide project ranking and selection meeting including all BAG Chairs and presented by DEQ is expected to take place in June, 2008. Project funding decisions are then forwarded to the DEQ Director for final state approval.
- (5) EPA Region 10 is notified between October and December, 2008 of the projects recommended for funding in 2009. Federal approval of the State's funding decisions is expected by February, 2009.

<u>Idaho Nonpoint Source Grant Priorities</u>

Idaho's priorities for the 2009 funding cycle are provided below to assist in alerting project applicants of the priority categories under which DEQ sees projects as addressing the State's most pressing nonpoint source issues.

Projects meeting at least one of the following points will receive the strongest consideration for funding:

- I. Fulfills goal and objectives for one of seven sectors in the 1999 Idaho Nonpoint Source Management Plan (see Chapter 1):
 - Agriculture—Eligible for grant funding except those activities covered by a draft or final NPDES permit and consistent with the 2003 *Idaho Agriculture Pollution Abatement Plan* (www.scc.state.id.us/pdf/Agplan.pdf).
 - Urban Runoff—Eligible for grant funding except instances covered by a draft or final NPDES permit.
 - Transportation—Eligible for grant funding except instances covered by a draft or final NPDES permit.
 - Silviculture—Silvicultural or forestry related activities are eligible for grant funding.
 - Mining—Eligible for grant funding except those activities covered by a draft or final NPDES permit.
 - Ground Water Activities—Eligible for grant funding to the extent identified by Idaho's nonpoint source management and source water protection programs, and where efforts involve regional collaboration or have statewide application.
 - Hydro-Habitat Modification—Hydrologic and habitat modification and related activities, including wetland reconstruction, are eligible for grant funding.
- II. Implements <u>approved</u> Total Maximum Daily Load (TMDLs), TMDL implementation plans, or water quality management plans.
- III. Addresses anti-degradation of any water body.
- IV. Promotes comprehensive or conjunctive management of ground water quality, with particular emphasis on nitrate priority areas.

Funding Target and Timeframe

For the 2009 funding cycle, approximately \$2.2 million is expected to be available for project grants. Projects ranging in cost from \$5,000 to \$250,000 can be funded through this program.

The optional project pre-applications should be submitted to DEQ by Friday, November 9, 2007. All pre-applications will be reviewed by DEQ. Applicants will be contacted by January 8, 2008 if there are questions about the pre-application or the project, in general.

The due date for receipt of complete project applications is Friday, February 8, 2008. It is the responsibility of the project sponsor and the applicable regional DEQ office to coordinate efforts to ensure that all regional project applications are presented, as a courtesy, to the local watershed advisory group prior to the February 8th DEQ application submittal deadline.

Application Review Process, Schedule, and Additional Information

Enclosed with this letter is a schedule with key milestones of the project application and review process. Fixed calendar dates are shown in **bold print**. Other dates and date ranges are provided as an estimate of key activities for planning purposes and may be slightly adjusted at a later time, if necessary. You are encouraged to use the link provided above to the *1999 Idaho Nonpoint Source Management Plan* (Chapter 8) for more information on the policy DEQ adheres to in administering the Nonpoint Source Program.

For information on EPA's Nonpoint Source Program authorities and grants guidelines for States please access the EPA website at http://www.epa.gov/owow/nps/cwact.html.

If you have any questions, please contact Dave Pisarski at (208) 373-0502, or at dave.pisarski@deq.idaho.gov.

Sincerely,

Barry N. Burnell Administrator

Water Quality Division

Barry M. Burnell

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Enclosure (1)

Application Review Process Milestones and Schedule

The schedule below outlines the Nonpoint Source (NPS) Program grant application review process. Fixed calendar dates are shown in bold print, with ranges provided for planning purposes and as an estimate for other milestones.

- **September 10, 2007**: Project Pre-Application period opens. The DEQ NPS Program requests all persons who are seeking funding for a proposed project in 2009 to complete and submit an optional project pre-application. The pre-application form can be found at http://www.deq.idaho.gov/Applications/319G/319G_MenuFirst.cfm and is the initial step in submitting a full application.
- **November 9, 2007**: The optional pre-application is due to be received at the DEQ NPS program office in Boise.
- **January 8, 2008**: DEQ will complete all pre-applications reviews and will notify project applicants with any questions or comments within 14 days, if necessary.
- **February 8, 2008**: A complete grant application is due using the online application found at http://www.deq.idaho.gov/Applications/319G/319G_MenuFirst.cfm. All project applications are assumed to have been presented to the local responsible Watershed Advisory Group (WAG), as needed, prior to this date.
- *Mid-February-Mid-March 2008:* DEQ and others, as needed, complete full technical evaluations of each project application. A proposal must be technically complete and otherwise meet all substantive requirements of the project application guidance to advance beyond this point for final review and funding consideration.
- March 30, 2008: All qualifying projects are sent electronically by DEQ to each respective Basin Advisory Group (BAGs) member, for review.
- April and early May 2008: Each project sponsor is required to present their project to the respective BAG membership to discuss the merits of the project and answer questions. After these presentations the BAG members will convene and rank each project proposal based on regional importance and the amount of funding requested.
- May 12, 2008: The results of each regional project ranking meeting are summarized and sent to each regional BAG chairperson. Each regional chairperson or their delegate are requested to meet in Boise to review all ranked projects received from across the state.
- *Mid-June 2008:* DEQ water quality personnel and all BAG chairpersons or delegates meet to discuss the projects and complete a preliminary list of the projects to be recommended for funding. The chairpersons will then rank each project in priority order to establish which proposed projects are the highest priorities for funding in 2009.
- *Mid-August 2008:* The ranked project applications are transmitted to the EPA Region 10 Nonpoint Source Program for review and preliminary approval of the funding decisions made. The review process is expected to take 30 days or less. EPA may choose to provide DEQ with comments (i.e. required project revisions) on any project application or funding recommendation. DEQ will act on EPA's comments as necessary, under established procedures.
- *Mid-September 2008:* A complete program grant application package, consisting of all projects being recommended for funding in 2009, is submitted to the DEQ Director for review and approval.
- October November December 2008: DEQ applies to EPA for year 2009 funding through a Nonpoint Source Management §319 grant award to the State of Idaho.
- April-May, 2009: DEQ receives a grant obligation letter from EPA. All 2009 project applicants are notified in writing by DEQ of their project funding status. All successful project applicants are requested to complete and submit a subgrant development request form, necessary to begin the process of awarding funds to the project.